

STATE BOARD OF EQUALIZATION

OFFICE CORRESPONDENCE

190.2540

Place: Sacramento
Date: December 24, 1954

To: San Bernardino - Auditing

From: Headquarters – Sales Tax Counsel (WWM)

Re: Application of Tax With Respect to the
Operation of Television Dealers

This is in answer to your memorandum of March 26, 1954, and follow-ups.

While there was some question in our mind in the past as to whether we should continue to pursue the policy outlined in the first and third paragraphs on page two of the memorandum of January 24, 1952, to Mr. W. C. S--- regarding F--- Inc., (F - XXXXX, now X - XXXXX), we can now state that it is definitely the opinion of the legal staff that the ordinary type of outdoor television antenna installation is no longer covered by the statements in those two paragraphs.

In other words, where the retailer furnishes and installs the antenna and is not the manufacturer thereof, the retail sale price is regarded as the cost of the outdoor antenna to him provided the retailer makes a lump-sum charge. Therefore, Ruling 11 will be exactly applied. This will be true whether one lump-sum charge is made for everything including the set, the outdoor antenna and installation of both, or whether on lump-sum charge is made for the set and its installation and another lump-sum charge is made for the outdoor antenna and its installation.

We hope to set forth a bulletin on the matter of the application of the tax to television sets in the near future.

If you have any further specific questions, you are assured that they will be answered more promptly. Upon my return from vacation next week I will write you concerning our views on S--- A. K---. I will write you the week of January 3.

W. W. Mangels

WWM:tj